

Action  
OCA 86-1780

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**OFFICE OF CONGRESSIONAL AFFAIRS**  
Routing Slip

	ACTION	INFO
1. D/OCA		X
2. DD/Legislation	X	
3. DD/Senate Affairs		X
4. Ch/Senate Affairs		
5. DD/House Affairs		X
6. Ch/House Affairs		
7. Admin Officer		
8. Executive Officer		X
9. FOIA Officer		
10. Constituent Inquiries Officer		
11.		
12.		

SUSPENSE

4 June 86  
Date

Action Officer:

Remarks: Action completed  
25-Mar-1986, deferred

to 65A.

GJ / 23 May 86

Name/Date

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Action  
OCA 86-1750

# **OFFICE OF CONGRESSIONAL AFFAIRS**

## **Routing Slip**

	ACTION	INFO
1. D/OCA		X
2. DD/Legislation	X	
3. DD/Senate Affairs		X
4. Ch/Senate Affairs		
5. DD/House Affairs		X
6. Ch/House Affairs		
7. Admin Officer		
8. Executive Officer		
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SUSPENSE

4 June 86  
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Remarks:

CJ / 23 May 86

Name/Date

CONGRESSIONAL AFFAIRS

86-1780



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

May 21, 1986

**SPECIAL**OCA FILE Leg. Ref. ChronoLEGISLATIVE REFERRAL MEMORANDUM RECD # Chrono

TO: Legislative Liaison Officer -  
Central Intelligence Agency  
Federal Emergency Management Agency  
National Security Council  
Department of the Treasury  
Department of Transportation  
Department of the Interior  
Department of Defense  
Department of Commerce  
Department of Energy

SUBJECT: GSA draft report on S. 2102, "Strategic and Critical  
Materials Stockpiling Revision Act, 1986."

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than  
WEDNESDAY, JUNE 4, 1986.

Questions should be referred to Annette Rooney/Sue Thau (395-7300),  
the legislative analyst in this office or to Ursula Gillis  
(395-3700).

RONALD K. PETERSON FOR  
Assistant Director for  
Legislative Reference

Enclosures

cc: J. Eisenhower  
A. Burman  
K. Glozer

**SPECIAL**



**Administrator  
General Services Administration  
Washington, DC 20405**

**DRAFT**

Dear Mr. Chairman:

The General Services Administration (GSA) wishes to submit its views on S. 2102, a bill "To amend the Strategic and Critical Materials Stock Piling Revision Act of 1979 in order to prescribe the method for determining the quantity of any material to be stockpiled under such Act, and for other purposes."

Principally, S. 2102 would amend section 2 of the Strategic and Critical Materials Stock Piling Act (Stock Piling Act)(50 U.S.C. 98 et seq.) to more directly involve the Congress in the setting of stockpile goals and to more closely tie these goals to United States import dependency for strategic and critical materials. The bill would authorize and direct the President to appoint an interagency advisory committee chaired by the Secretary of Defense to determine which materials are strategic and critical to the United States and the quantities needed to be stockpiled.

Materials which are necessary to the security and essential to the economy of the United States would be classified by the interagency advisory committee as follows: Class A materials, those materials not produced in the United States or produced in the United States in limited quantities and that are primarily obtained from foreign sources; Class B materials, materials produced in the United States but are not available in sufficient quantities in the United States to offer the potential for meeting total domestic needs and that are obtained to substantial extent from foreign sources; and Class C materials, materials produced in substantial quantities in the United States, that are available in sufficient quantities to meet total domestic requirements and are obtained to a lesser extent from foreign sources.

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For each material in Class A, the stockpile goal would be set to 3 years' domestic net imports; for Class B, to 2 years' domestic net imports; and for Class C, to 1 year's domestic net imports. If the interagency advisory committee determines that the stockpile goal for any material should be computed otherwise, the Secretary of Defense would be required to notify the Congress in writing of that determination and set forth the proposed new formula. The new formula would become effective within a period of 90 days after the day on which Congress was notified by the Secretary of Defense.

We strongly oppose the enactment of S. 2102. There is a fundamental flaw in computing stockpile goals on the basis of recent imports during peacetime years because this methodology fails to take into account the actual needs of the United States for strategic and critical materials during a wartime economy.

We also object to S. 2102 because of the frequency and inherent delays that could be caused by requiring new formulas for computing the Stockpile goal of any material determined as insufficient for the United States in a national emergency. Moreover, to the extent that the bill requires notification for any such proposed new formula, there appears to be some inconsistency with the principles pronounced in Immigration and Naturalization Service v. Chadha, 103 S. Ct. 2754.

The Office of Management and Budget has advised that, from the standpoint of the Administration's program, there is no objection to the submission of this report to your Committee.

With best wishes.

Sincerely,

Terence C. Golden

The Honorable  
Barry M. Goldwater  
Chairman  
Committee on Armed Services  
United States Senate  
Washington, DC 20510